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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-929]

Small Diameter Graphite Electrodes from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on small diameter graphite electrodes (graphite electrodes) from the People's Republic of China (PRC), covering the period February 1, 2015, through January 31, 2016. The Department has preliminarily determined that three companies, the Fangda Group, Fushun Jinly Petrochemical Co., Ltd. (Fushun Jinly), and Jilin Carbon Import and Export Company (Jilin Carbon), had no shipments of subject merchandise during the period of review (POR).

DATES: Effective [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Dmitry Vladimirov, AD/CVD Operations Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0665.

SUPPLEMENTARY INFORMATION:

Background

On February 3, 2016, we published a notice of opportunity to request an administrative review of the antidumping duty order on graphite electrodes from the PRC for the POR February

1, 2015, through January 31, 2016.¹ On April 7, 2016, in response to a timely request from the petitioners,² and in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act), and 19 CFR 351.221(c)(1)(i), we initiated an administrative review of the antidumping duty order on graphite electrodes from the PRC with respect to 196 companies.³ On August 19, 2016, in response to a timely withdrawal request from the petitioners, we rescinded the administrative review for 193 companies.⁴

Scope of the Order

The merchandise covered by the order includes all small diameter graphite electrodes of any length, whether or not finished, of a kind used in furnaces, with a nominal or actual diameter of 400 millimeters (16 inches) or less, and whether or not attached to a graphite pin joining system or any other type of joining system or hardware. The merchandise covered by the order also includes graphite pin joining systems for small diameter graphite electrodes, of any length, whether or not finished, of a kind used in furnaces, and whether or not the graphite pin joining system is attached to, sold with, or sold separately from, the small diameter graphite electrode. Small diameter graphite electrodes and graphite pin joining systems for small diameter graphite electrodes are most commonly used in primary melting, ladle metallurgy, and specialty furnace applications in industries including foundries, smelters, and steel refining operations. Small diameter graphite electrodes and graphite pin joining systems for small diameter graphite electrodes that are subject to the order are currently classified under the Harmonized Tariff

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity to Request Administrative Review*, 81 FR 5712 (February 3, 2016).

² SGL Carbon LLC and Superior Graphite Co (collectively, the petitioners).

³ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 81 FR 20324 (April 7, 2016).

⁴ See *Small Diameter Graphite Electrodes from the People's Republic of China: Rescission of Antidumping Duty Administrative Review in Part; 2015-2016*, 81 FR 55434 (August 19, 2016).

Schedule of the United States (HTSUS) subheadings 8545.11.0010,⁵ 3801.10,⁶ and 8545.11.0020.⁷ The HTSUS numbers are provided for convenience and customs purposes, but the written description of the scope is dispositive.

Preliminary Determination of No Shipments

On April 11, 2016, we requested the U.S. Customs and Border Protection (CBP) data during the POR for all entries of graphite electrodes produced or exported by the companies for which we initiated the administrative review and released that information to the parties. We received timely submissions from the Fangda Group⁸, Fushun Jinly, and Jilin Carbon reporting that they did not have sales, shipments, or exports of the subject merchandise during the POR.⁹ For each of these companies, we transmitted a “No Shipments Inquiry” to CBP.¹⁰ Pursuant to these inquiries, we received no notification from CBP of any entries of subject merchandise

⁵ The scope described in the order refers to the HTSUS subheading 8545.11.0000. We note that, starting in 2010, imports of small diameter graphite electrodes are classified in the HTSUS under subheading 8545.11.0010 and imports of large diameter graphite electrodes are classified under subheading 8545.11.0020.

⁶ HTSUS subheading 3801.10 was added to the scope of the graphite electrodes order based on a determination in *Small Diameter Graphite Electrodes From the People’s Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order*, 77 FR 47596 (August 9, 2012) (first circumvention determination). The products covered by the first circumvention determination are graphite electrodes (or graphite pin joining system) that were 1) produced by UK Carbon and Graphite Co., Ltd. (UKCG) from PRC-manufactured artificial/synthetic graphite forms, of a size and shape (e.g., blanks, rods, cylinders, billets, blocks, etc.), 2) which required additional machining processes (i.e., tooling and shaping) that UKCG performed in the United Kingdom (UK), and 3) were re-exported to the United States as UK-origin merchandise.

⁷ HTSUS subheading 8545.11.0020 was added to the scope of the graphite electrodes order based on a determination in *Small Diameter Graphite Electrodes from the People’s Republic of China: Affirmative Final Determination of Circumvention of the Antidumping Duty Order and Rescission of Later-Developed Merchandise Anticircumvention Inquiry*, 78 FR 56864 (September 16, 2013) (second circumvention determination). The products covered by the second circumvention determination are graphite electrodes produced and/or exported by Jilin Carbon Import and Export Company with an actual or nominal diameter of 17 inches.

⁸ We refer to the Fangda Group as a single entity pursuant to 19 CFR 351.401(f)(1). See *Small Diameter Graphite Electrodes From the People’s Republic of China: Preliminary Determination of Sales at Less Than Fair Value, Postponement of Final Determination, and Affirmative Preliminary Determination of Critical Circumstances*, in Part, 73 FR 49408, 49411-12 (August 21, 2008) (where we collapsed the individual members of the Fangda Group: Beijing Fangda Carbon Tech Co., Ltd., Chengdu Rongguang Carbon Co., Ltd., Fangda Carbon New Material Co., Ltd., Fushun Carbon Co., Ltd., and Hefei Carbon Co., Ltd.), unchanged in *Final Determination of Sales at Less Than Fair Value and Affirmative Determination of Critical Circumstances: Small Diameter Graphite Electrodes from the People’s Republic of China*, 74 FR 2049 (January 14, 2009).

⁹ See the Fangda Group’s Letter dated May 6, 2016, Fushun Jinly’s Letter dated May 5, 2016, and Jilin Carbon’s Letter dated May 9, 2016.

¹⁰ See CBP messages 6197311, 6197312, and 6197313, all dated July 15, 2016.

concerning these companies. Accordingly, based on record evidence, we preliminarily determine that the Fangda Group, Fushun Jinly, and Jilin Carbon had no shipments and, therefore, no reviewable transactions during the POR. Further, consistent with our practice, we find that it is not appropriate to rescind the review with respect to these companies but, rather, to complete the review and issue appropriate instructions to CBP based on the final results of review.¹¹

Public Comment

Interested parties may submit case briefs no later than 30 days after the date of publication of this notice.¹² Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than five days after the date for filing case briefs.¹³ Parties who submit case or rebuttal briefs in this proceeding are encouraged to submit with each argument (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁴

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce. All documents must be filed electronically using Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. An electronically-filed request must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time, within 30 days after the date of publication of this notice.¹⁵ Hearing requests

¹¹ See, e.g., *Wooden Bedroom Furniture from the People's Republic of China: Final Results and Final Rescission, In Part, of Administrative Review and Final Results of New Shipper Review*; 2013, 80 FR 34619 (June 17, 2015).

¹² See 19 CFR 351.309(c)(1)(ii)

¹³ See 19 CFR 351.309(d)

¹⁴ See 19 CFR 351.309(c)(2) and (d)(2).

¹⁵ See 19 CFR 351.310(c).

should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those issues raised in the respective case briefs. If a request for a hearing is made, parties will be notified of the time and date of the hearing which will be held at the U.S. Department of Commerce, 1401 Constitution Avenue N.W., Washington DC 20230.

Unless extended, we intend to issue the final results in this administrative review, including the results of our analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.¹⁶ We intend to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. Pursuant to the Department's practice in non-market economy cases, if we continue to determine in the final results that the Fangda Group, Fushun Jinly, and Jilin Carbon had no shipments of subject merchandise, any suspended entries of subject merchandise during the POR from these companies will be liquidated at the PRC-wide rate.¹⁷

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of review, as provided by section 751(a)(2)(C) of the Act: (1) for previously investigated or reviewed PRC and non-PRC exporters that received a separate rate in a prior segment of this

¹⁶ See 19 CFR 351.212(b)(1).

¹⁷ For a full discussion of this practice, see *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (2) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 159.64 percent; and (3) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notifications to Importers

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement may result in the Department's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of doubled antidumping duties.

This notice is issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Paul Piquado
Assistant Secretary
for Enforcement and Compliance

Dated: October 14, 2016.

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